



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 19-21]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Karma Job at karma.d.job.civ@mail.mil or (703) 697-8976.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 19-21 with attached Policy Justification and Sensitivity of Technology.

Dated: September 20, 2019.

Aaron T. Siegel,

*Alternate OSD Federal Register Liaison Officer,
Department of Defense.*



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203

ARLINGTON, VA 22202-5408

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

JUL 08 2019

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 19-21 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Taipei Economic and Cultural Representative Office in the United States (TECRO) for defense articles and services estimated to cost \$223.56 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles W. Hooper", is written over the typed name and title.

Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Transmittal No. 19-21

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Taipei Economic and Cultural Representative Office in the United States (TECRO)

(ii) Total Estimated Value:

Major Defense Equipment*	\$114.13 million
Other	<u>\$109.43 million</u>
TOTAL	\$223.56 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

Two hundred fifty (250) Block I -92F MANPAD Stinger Missiles
Four (4) Block I -92F MANPAD Stinger Fly-to-Buy Missiles

Non-MDE:

Also included is one (1) Captive Flight Trainer (CFT), twenty-three (23) Field Handling Trainers (FHTs), one hundred eight (108) Gripstock Control Groups, one hundred eight (108) Medium Thermal Weapon Sights (MTWS), seven (7) Tracking Head Trainers (THTs), two (2) Sierra Coolant Recharging Units (CRUs), one (1) Missile Go/No Go Test Set, one hundred eight (108) Identification Friend or Foe (IFF), IFF Development, one (1) Integrated Electronic Technical Manuals (IETMs), Government Furnished Equipment, spare and repair parts, telemeters, range and test support, contractor technical support, contractor training, contractor engineering services, contractor logistics services, consolidation, total package fielding, material fielding team, Field Service Representative (FSR), U.S. Government technical support, and other associated equipment and services and other related elements of logistics and program support.

(iv) Military Department: Army (TW-B-ZZZ)

(v) Prior Related Cases, if any: None

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: July 8, 2019

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Taipei Economic and Cultural Representative Office in the United States (TECRO) – Block I - 92F MANPAD Stinger Missiles and Related Equipment and Support

TECRO has requested to buy two hundred fifty (250) Block I -92F MANPAD Stinger missiles and four (4) Block I -92F MANPAD Stinger Fly-to-Buy missiles. Also included is one (1) Captive Flight Trainer (CFT), twenty-three (23) Field Handling Trainers (FHTs), one hundred eight (108) Gripstock Control Groups, one hundred eight (108) Medium Thermal Weapon Sights (MTWS), seven (7) Tracking Head Trainers (THTs), two (2) Sierra Coolant Recharging Units (CRUs), one(I) Missile Go/No Go Test Set, one hundred eight (108) Identification Friend or Foe (IFF), TFF Development, one(I) Integrated Electronic Technical Manuals (IETMs), Government Furnished Equipment, spare and repair parts, telemeters, range and test support, contractor technical support, contractor training, contractor engineering services, contractor logistics services, consolidation, total package fielding, material fielding team, Field Service Representative (FSR), U.S. Government technical support, and other associated equipment and services and other related elements of logistics and program support. The total estimated program cost is \$223.56 million.

This proposed sale is consistent with U.S. law and policy as expressed in Public Law 96-8.

This proposed sale will support the foreign policy and national security of the United States by helping to improve the security and defensive capability of the recipient, an important force for political stability, military balance, and economic progress in the region.

The recipient intends to use these defense articles and services to modernize its armed forces and expand its existing air defense architecture to counter threats. This will contribute to the recipient military's goal to update its capability while further enhancing greater interoperability between the recipient, the U.S., and other allies. The recipient will have no difficulty absorbing this equipment into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractors will be Raytheon Missile Systems. There are no known offset agreements proposed. However, the purchaser typically requests offsets. Any offset agreement will be defined in negotiations between the purchaser and the contractor.

Implementation of this proposed sale will require 12 U.S. Government or contractor representatives to travel to the recipient for a period of 6 weeks (non-concurrent).

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 19-21

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The highest classification of the Stinger 92F Reprogrammable Micro-Processor (RMP) Block I Missile and Stinger Man-Portable Air Defense System (MANPADS) hardware is CONFIDENTIAL, and the highest classification of data and information is SECRET.

The Stinger RMP Block I Missile, hardware, embedded software object code and operating documentation contain sensitive technology and are classified CONFIDENTIAL. The guidance section of the missile and tracking head trainer contain highly sensitive technology and are classified CONFIDENTIAL. Missile System hardware components contain sensitive critical technologies. Stinger Block I critical technology is primarily in the area of design and production know-how and not end-items. This sensitive/critical technology is inherent in the hybrid microcircuit assemblies; micro-processors; magnetic and amorphous metals; purification; firmware; printed circuit boards; laser roll rate sensor; dual detector assembly; detector filters; optical coatings; ultraviolet sensors; compounding and handling of electronic, electro-optic, and optical materials; test equipment operating instructions; energetic materials fabrication and loading technology; warhead components and seeker assembly. Information on countermeasures vulnerability to electronic countermeasures, system performance capabilities and effectiveness, simulation and test data and software source code are classified up to SECRET.

2. If a technologically advanced adversary were to obtain knowledge of the hardware and software elements, the information could be used to develop countermeasures or equivalent systems which might reduce system effectiveness or be used in the development of a system with similar or advanced capabilities.

3. A determination has been made that the recipient can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

4. All defense articles and services listed in this transmittal have been authorized for release and export to the recipient.

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